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Management Officer

24 March 1950

Budget Officer

Comments on Survey Report of the CIA Budget Staff

The various recommendations involved in the subject report have been carefully considered by this office. Our comments are presented in response to the Management Report under the appropriate citation references set forth in the report.

Item 1.

General problem: Budget Staff man-year control card file.

Comment: During the interval since performance of the Management Survey the Budget Staff has engaged in a number of discussions with the Personnel Division, Administrative Staff, and Machine Methods Division, all, on the subject. The discussions so far have served to justify the following statements:

a. The Personnel Division records upon which position control is maintained cannot furnish the Budget Staff the information it requires.

b. For budgetary record purposes advice of personnel action in the case of some assignments must be improved to include more specific information as to the intent of the action. (Personnel Division concurs.)

c. There is a possibility that the Budget Staff requirement with regard to budget control card records can be satisfied by transfer of existing card records to machine accounting processing. Detailed problems of accomplishing this transfer are now being studied by the Budget Staff and Machine Methods Division. The Machine Methods Division will soon be in a position to furnish to the Budget Staff "dry runs" of the personnel information it requires. These test experiments will continue until such time as there is a general agreement as to whether or not existing card records in Budget Staff can be eliminated.

Item 2.

General problem: Allotments of funds to Offices and Staff Sections in smaller amounts than were provided in the Budget for operations during the fiscal year.

Comment: At the beginning of fiscal year 1950 partial allotments of funds were made by the Budget Staff to offices and staff sections for reasons directly attributable to the

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lateness of appropriation action. It is not expected that a similar situation will apply in the future but in any case corrective arrangements have been made by the Budget Staff which should prevent any confusion or misunderstanding. It is our present plan that allocations covering fiscal year 1951 will be made to Assistant Directors and Staff Chiefs shortly before 1 July. Such allocations will be made by memorandum from the Budget Officer to Assistant Directors and Staff Chiefs on the basis of "subject to availability of funds". Advices of Allotment Authorization will be released after appropriation enactment and will be directly predicated on the allocation memorandum. It might be pointed out that despite the fact that a partial allotment of funds resulted in some awkwardness during the current fiscal year, the amount available for initial allotment was legally restricted in view of the fact that the Agency authority for initial operation was based on interim resolutions during the period July to September. Under normal circumstances not more than a "10%" reserve for contingencies will be withheld by the Budget Staff, unless it is obvious that funds included in the budget for a particular activity(s) are in excess of known requirements.

Item 3.

General problem: Release of Advice of Allotment Authorization on the basis of dividing the yearly figure into four quarterly amounts rather than upon a cumulative basis.

Comment: This matter was previously discussed with the Fiscal Division, Administrative Staff, and an agreement had been reached whereby the action recommended would be taken with regard to allotment advices issued during fiscal year 1951.

Item 4.

General problem: Revision of Report of Obligations and Expenditures by Object Classes, Form No. 34-12, to furnish obligation information to Assistant Directors and Staff Chiefs in a more convenient manner.

Comment: The Budget Staff concurs in the fact that Form No. 34-12 will require revision on the basis of present allotment and control procedures as indicated by drafts of procedures which have been submitted to the Management Office for suggested incorporation within Series [] of the Manual of Agency Regulations. At present the Budget Staff is developing revisions of not only the Form No. 34-12 but also the Advice of Allotment Authorization, Form No. 32-5 and Request for Change in Allotment, Form 32-7.

Under "Recommended Solution" the Management Office has indicated its feeling that Form 34-12 should not be issued more often than quarterly. Such an arrangement might be considered adequate for the smaller offices, however, the larger offices, which contain a number of highly active accounts, must receive

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obligation reports monthly if they are to have assurance that they are operating within available funds. Budget Staff analysts must receive monthly statements of obligations to enable them to perform their assigned responsibilities if they are to furnish adequate assistance and guidance to operating offices on fund problems.

Item 5.

General problem: Submission of Form No. 34-12 by Fiscal Division, Administrative Staff, directly to organizational units rather than through the Budget Staff.

Comment: The Budget Staff feels that the present arrangement should continue. Delivery through the Budget Staff affords the Budget analyst an additional opportunity to maintain necessary liaison with operating offices and to advise regarding any matters of import in connection with fund status.

Item 6.

General problem: Prevention of last minute rush in Budget presentation.

Comment: The Budget Staff feels that a paramount consideration under this subject is to obtain general agreement as to a deadline beyond which no budgetary additions or changes will be submitted for incorporation within the estimates. Last year the Budget Staff received information for incorporation within the budget document as late as the 14th of September. From 15 August to 14 September a number of changes were received by the Budget Staff which required the complete reworking of entire sections of the budget. In this connection it might also be mentioned that a change within a section after the presentation has been "shaped up" also requires revision in a number of recapitulation schedules, the overall spreadsheet and similar data. Accordingly, it is of the utmost importance that the Budget Staff be kept entirely free from such changes for a substantial period prior to 15 September.

Reference a. It is believed that the Budget Staff has made a substantial beginning toward the issuance of comprehensive Administrative Instructions by preparation of the various chapters already submitted to the Management Office for incorporation within the Agency Manual of Operating Procedures. It is the present intention to improve and extend these issuances during fiscal year 1951.

Reference b. The Budget Staff has in operation an analyst program which will provide additional budget information for operating offices which should result in a better understanding of budgeting and budget problems. In connection with quarterly analysis of funds which are now

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being prepared by Budget Analysts conferences are held with program operators at regular intervals on the complete budgetary status of their activities. There is reason to believe that the strength of the Budget Analyst Program Operator liaison program is improving daily. Subsequent to the release of the Call for Estimates a general conference will be held so there will be a complete understanding on the part of operating officials who will be expected to work up the detailed requirements expressed in the Call for Estimates.

Reference c. Same comment as above.

Reference d. Same comment as above,

Reference e. The present plan is to release the Call for Estimates not later than 15 April with the requirement that agency estimates be transmitted to the Budget Officer on or before 1 June. This will provide operating offices six weeks for preparation prior to the due date of 1 June. This deadline will coincide with the requirement for submission to the Projects Review Committee of estimates covering unvouchered activities.

Reference f. Hearings will be held prior to final estimate preparation in accordance with the schedule prepared by the Budget Officer and transmitted to the Management Officer on 17 January 1950.

Item 7.

General problem: Review all PRC submissions prior to Committee hearings.

Comment: The Budget Staff is in complete concurrence with this recommendation and has recently prepared at the request of the Management Office a suggested revision of Administrative Instruction [REDACTED] Subject: "Projects", for incorporation within the Manual of Agency Regulations, which will require the PRC request to be submitted through the Budget Officer. This procedure will permit additional information to be made available to members of the PRC.

Item 8.

General problem: Issuance of one Advice of Allotment Authorization for the year for a given activity with changes required during the year being accomplished by a change slip in lieu of the issuance of revised Advices of Allotment Authorization.

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Comment: This office wishes to retain in substance the present system for the following reasons:

a. The information which would be included on this change slip would be almost identical to that which would be required if a revised Advice of Allotment authorization were to be issued and such a change would result in the use of two forms where one now suffices.

b. At present it is intended that throughout the fiscal year 1951 budget analysts will prepare a quarterly analysis of funds covering the activities to which they are assigned. It is believed that this procedure will result in better budgetary planning and consequently reduce the number of changes required.

c. The Budget Staff at the present moment is engaged in a study to effect a reduction in the number of allotment accounts required for operating offices. It is believed that a reduction can be made in the number of allotment accounts through consolidation of those accounts which involve small amounts of money. This action will be effective in reducing the number of revisions necessary in Advices of Allotment Authorizations.

d. It is believed that on the basis of change slip usage there would be a greater possibility of error.

Miscellaneous:

Item 1: Object and sub-object classification study for possible improvement and for possible application of IBM Machine Methods for cost accounting purposes.

Comment: (a) Object classes of expenditure are prescribed by Budget-Treasury Regulation #1 and are standard for the U. S. Government. The present schedule of sub-object classifications is under study by the Budget Staff for consideration as to whether or not it can be improved.

(b) The Budget Staff does not have a definite reaction at this time as to the applicability of IBM machine methods for cost accounting purposes. It is believed that this matter may serve as a subject for future consideration in discussions with representatives of the Machine Methods Division, GED and Fiscal Division, Administrative Staff.

Item 2: Budget-Management Survey coordination and follow-up

Comment: The Budget Staff feels that the arrangement of having Budget Staff analysts make follow ups on Management surveys is an appropriate and valuable Budget-Management arrangement. The plan is dependent upon very close liaison between both staffs and, accordingly, the Budget Staff will insure that there is complete

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agreement upon matters on which a follow up should be made before implementation by the budget analyst.

Item 3: Statement of functions for the Budget Staff and functional statements for the analyst and other personnel of the Budget Staff.

Comment: With regard to the statement of functions for the Budget Staff included in the survey report under Tab A, it is suggested that further consideration be given to clarification of some of the major responsibilities. The Budget Staff has prepared drafts covering functional statements for each employee within the Staff and it is anticipated that these will be ready for submission to the Management Staff within the near future. *(Included as Tab C)*

Item 4: Reference is made to Tab B which includes a list of proposed procedures and problems currently under consideration by the Budget Staff and the status of each is reported below by appropriate paragraph reference.

1. A Budget Staff analyst is now engaged in making a detailed study of the problem for recommendation to the Budget Officer.

2. A tentative system covering this point has been developed and is now in use on a trial basis.

3. It is anticipated that the developed system should be ready for review by the Management Officer on 1 July.

4. This subject is covered under Item 3, "Miscellaneous".

5. This subject is covered under Item 4, "Recommendations and findings".

6. These are in the process of preparation.

7. A draft covering a filing system has been completed.

8. The annual revision of Chart of Allotment Accounts is now in process.

9. This matter has been under study for some time and it is our intention that essential points pertaining to possible improvements in the present system will be developed and appear as a part of the Call for Estimates to be released 15 April.

It is our opinion that the management survey was valuable in furnishing the Budget Staff an objective appraisal of its existing operations and providing a sound base for Budget-Management operations in matters of common concern. The Budget Staff also wishes to express its appreciation of the manner and spirit in which the Management Survey was conducted.

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E. R. SAUNDERS

Responsibilities of the Budget Officer
and the Budget Staff

- A. The mission of the Budget Staff is to develop and justify to the Bureau of the Budget and the Congress adequate and accurate annual budget estimates; formulate and administer a program of budgetary execution to assure the prevalence of a balanced relationship between funds and activity requirements and accomplish an orderly and effective program of expenditure; procure through covert and semi-covert channels and procedures the annual appropriations made on behalf of CIA; establish fiscal policies and procedures and otherwise provide staff advice to the Agency on all related matters to insure the establishment and maintenance of appropriate controls and regulations with respect to accounting and audit matters; and coordinate the use of types of funds as well as other financial matters, Agency policy and procedure with other appropriate officials concerned with internal management problems.
- B. The functions of the Budget Staff which are performed under only very general administrative direction may be briefly recapitulated as follows:
1. Provides the mechanics and procedures for the formulation, preparation and execution of the Agency's annual budget.
 2. Plans and establishes in coordination with other officials financial and budget policy.
 3. Effects control of Agency funds under applicable budgetary provisions and the requirements of approved activities by the formulation and administration of a system of allotment accounts. In this connection is responsible for issuing advices of allotment authorization and complement notices to operating officials.

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4. Provides unusual and unprecedented procedures and liaison for the secure expenditure and accounting of funds including those which are not accountable to the General Accounting Office.

5. Determines and assists in the administration of the application and coordination of rules, regulations and Agency policies and procedures applicable to both vouchered and unvouchered foreign financial operations and transactions.

6. Establishes, coordinates and controls all liaison with other Government agencies concerning budget and fiscal matters of all types and conducts all liaison with the Bureau of the Budget.

7. Responsible for compilation and submission of designated and as required reports to the Bureau of the Budget, the Postmaster General and the Congress of the United States.

8. Compiles and presents informative and analytical statements, reports, graphs, charts, etc. to reflect the progress of budgetary execution and as required for Agency administrative requirements.

9. Develops standards to control the budgetary and financial systems of the Agency.

10. Plans, develops and effectuates unique procedures governing the disbursement, control and accounting for CIA funds with the Bureau of the Budget, Treasury Department and the Office of the Comptroller General of the United States in order to establish and maintain policies and procedures within the Agency with respect to the utilization of funds in accordance with Government laws, regulations and general policies to the extent permitted in supporting

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the mission of the Agency and the concept of the use of appropriated funds under the wide latitude provided in Agency legislation.

11. Directs the development of technical budgetary and accounting procedures governing both domestic and foreign financial activities and transactions for both vouchered and confidential funds and in connection therewith approves and insures the coordination of adequate instructions to Finance Officers, Certifying Officers and Agent Cashiers located both within and without the United States.

12. Continually reviews and analyzes budgetary and financial statements and effects or recommends appropriate action as required.

13. Reviews and recommends to the Director, CIA, special instructions and the establishment of policies concerning the accounting of special funds and coordinates in arriving at determinations as to action to be taken resulting from inspections and audits covering foreign financial transactions to insure compliance with Agency policies, regulations and procedures.

14. Reviews and makes determinations with respect to plans and procedures relating to foreign currency exchange and disbursement of foreign currency and the control of gains and losses incurred on monetary exchanges, devaluations, etc.

15. Initiates, directs and controls liaison concerning all financial policy and related procedural matters with operating officials for the purpose of establishing and maintaining uniform

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fiscal and budgetary policies and procedures in cooperation with the Coordination, Operations and Policy Staff and the Management Staff.

16. Assists the Coordination, Operations and Policy Staff and the Management Staff in liaison with appropriate Agency officials in the development and implementation of improved financial programs and activities for the efficient and economical administration of the Agency's mission on a world wide basis.

17. Otherwise plans and directs or executes fiscal or other related specialized programs of national and international significance requiring an exceptionally high degree of technical administrative and fiscal research and development.

18. Acts in a professional and consulting capacity in advising the Director and other Agency officials relative to budget and fiscal specialized work which has no precedent outside the Agency.

19. Conducts an analyst program throughout the Agency to continually provide assistance in the development of budget requirements and programs and to maintain appropriate financial control over operating activities.

20. Develops and coordinates budgetary and fiscal activities necessary in the conduct of NSC operations.

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Management Staff Survey
of
Budget Staff

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TAB D

I. Mission

As a staff member, under the direct supervision of the Executive, the Budget Officer is charged with the development, preparation, and execution of the Agency budget, and with furnishing advice and assistance to all components of the Agency on all matters of financial and budget policy.

II. Responsibilities and Authority

Within the limits of his assigned mission, the Budget Officer is responsible for, and has commensurate authority to accomplish the fulfillment of the duties set forth below. He may delegate, except when expressly prohibited from so doing, to members of his staff appropriate portions of his responsibilities together with proportionate authority for the fulfillment, but he may not delegate or relinquish his over-all responsibility for results.

A. Functions

The Budget Officer will:

1. Develop and prepare adequate and accurate procedures for the formulation of the annual budget estimates for the Agency.
2. Assist the Director as requested in presentation of the Agency annual budget estimates to the Bureau of the Budget and the Congress.
3. Establish and administer the program for budgetary execution by components of the Agency.
4. Recommend and plan the establishment of Agency financial and budget policy in coordination with other Agency officials.
5. Establish, coordinate and control liaison with Bureau of the Budget and other Government agencies concerning CIA budget matters.
6. *Develop, & recommend*
for Establish and maintain policies and procedures within the Agency with respect to the utilization of funds in accordance with Government laws, regulations and general policies.

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7. Coordinate with Legal Staff when necessary on legal aspects of budget matters.
8. Coordinate with the Coordination, Operations and Policy Staff and the Management Staff in the development and implementation of budget programs and activities for efficiency and economy of Agency operations.
9. Develop and coordinate budget activities necessary in the conduct of NSC operations.
10. Review and recommend additions or changes to existing Agency regulations regarding budget matters.
11. Establish internal policies and procedures for the operation of his staff.

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Executive

MAR 16 1950

Management Officer

Survey of the CIA Budget Staff

Purpose

To determine if budgeting methods and techniques within CIA are sound and accurate, as simplified as feasible, and if Budget and Fiscal operations have been separated to the maximum degree possible.

Discussion

1. It is assumed by the Management Staff that all parties who will read this report of the survey are aware that CIA has had a good budget program, accomplished by capable people. Therefore, the survey was initiated in an attempt to determine any possible additional operations improvement and simplification omitting any reference to the already existing good points.

2. In an effort to achieve maximum simplicity, the following format will be used under the heading of Findings and Recommendations.

- a. Problem and present procedure.
- b. Recommended solution.
- c. Action taken.

Findings and Recommendations

Item 1.

Problem and present procedure. A complete position control card index file is maintained by the Budget Staff. Many uses of this file were offered in justification for its existence. However, only two of its uses appear to be justifiable.

a. As a means for computing man-years for budgetary planning, preparation and reporting.

b. As a check that only one position is filled at a time. The latter point is not in terms of personnel position control, but rather to assure that though three personnel actions may be issued for one specific position due to attrition, Budget's position control card is designed to show what portion of the man-year each incumbent spent in the position.

Recommended solution. That, if possible, the Personnel Division position control be adjusted to provide whatever information is necessary to the Budget Staff, or transfer to Machine Accounting. (Not to be abolished until new concept is proven usable.)

Action taken. Method being studied jointly by Budget Staff and Personnel Division to transfer function to Machine Accounting.

Item 2.

Problem and present procedure. In one case examined, funds were allocated to an activity on the basis of withholding 25 per cent of the amount intended. In this case, it appears that even further restrictions were placed on the activity by reducing the quarterly allotments. In this particular case, it may be that the problem was generated because funds were not allocated by Congress, until after the fiscal year began. Nonetheless, there appears that a larger contingency was maintained by the Budget Staff than was necessary which required many changes in allotments. At this point, it would seem CIA should assume that the Agency supervisory personnel are capable of operating the offices and activities entrusted to them.

Recommended solution. That all activities be advised of the total amount reserved for them in order that they may be able to adequately plan future operations.

Action taken. The Budget Officer stated that the above is their plan, and it would be implemented with the new fiscal year.

Item 3.

Problem and present procedure. At present when Advice of Allotment (Form No. 33-2) is made the total of the yearly amount allocated is indicated in the first column, and then the quarterly amounts are indicated on a cumulative basis; hence, a \$100,000 is not divided into four equal amounts which total \$100,000, but is shown as \$25,000, \$50,000, \$75,000, and \$100,000. As this appears to create additional work for the Fiscal Office, and no good purpose has been offered in rebuttal, it would seem advisable to change the system.

Recommended solution. That yearly allotment be set up in divided quarterly amounts. This yearly amount may be divided into four equal amounts, which will total the whole amount allotted or in any reasonable sums to equal the total. This allocation should be determined between the Budget Staff and the activity concerned.

Action taken. The Budget Staff indicated that they would take corrective action effective the first of the new fiscal year.

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Item 4.

Problem and present procedure. Form No. 34-12 is an advice of the amount of money each office has expended. This form indicates obligations, unliquidated obligations, and total obligations, and indicates the amount spent by symbol. While this method is very helpful to the Budget personnel, it would seem the operator receives meager information, and is left no alternative but to engage in extensive arithmetic to determine unobligated balances. Further, by advice of allotment the operator is told only two figures, the total amount allocated for 01, personnel service, and 02 thru 09 - "all other". However, the Form No. 34-12 indicates amounts obligated by item, but does not indicate unobligated balance. This problem is part of an overall problem as to whether activities should be advised of allotments by specific symbols, or whether the system of lump sum allotments is the best for CIA. Inasmuch as a "trial run" has been instituted in the Budget Office so that they may determine which system is the better, the Management Office will withhold its investigation until a later date.

Recommended solution. That the Form No. 34-12 be considered for redesigning, but that no action can be taken until a determination can be made in the Budget Office as to which system of allotment control will be used. However, the Management Office would recommend that for most offices, Form No. 34-12 should not be issued more often than quarterly.

Action taken. Action pending.

Item 5.

Problem and present procedure. Form No. 34-12 discussed above is prepared by the Fiscal Office, and submitted to the Budget Staff and thence to the operator. This would seem an unnecessary step.

Recommended solution. That the Form No. 34-12 when prepared by Fiscal be submitted directly to the activities so that questions that may arise could be directed to either the Fiscal Office, or the Budget Staff. The form can be prepared in an additional copy, which copy will be sent to the Budget Staff directly.

Action taken. Budget and Fiscal will study and submit the recommendation.

Item 6.

Problem and present procedure. In the past, most Budget presentations have been last-minute rush affairs. In all fairness generally

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a good deal of this was beyond the control of the Budget Staff. However, it creates a considerable hardship on the operating activities, prevents adequate planning and undoubtedly makes for fallacious budget planning. Much of this has already been corrected.

Recommended solution. While this comment is somewhat extensive, the following items would contribute toward the improvement of this problem:

- a. The issuance of comprehensive administrative instructions to set forth the concept of Budget and inherent problems, certain definitions, legal requirements and requirements necessary to satisfy the Bureau of the Budget and Congress.
- b. To engage in a program of "good publicity" so that operating activities have a better understanding of budgeting and budget problems, so that they will be in a position to cooperate. (Either through the orientation program, or specially called conferences.)
- c. Act as a source of advice for the operating activities and matters which may require project review action.
- d. Promote budget consciousness in the operating activities which will assist the overall Agency budget program as well as the operating activity itself.
- e. Assure that calls for estimates are in possession of the operating offices at least six weeks prior to the due date. (Already planned)
- f. Conduct Agency budget hearings prior to final estimate preparation. (Already planned)

Action taken. Most of this program is under way and should be completed in the near future.

Item 7.

Problem and present procedure. Estimates which must be submitted to the Projects Review Committee are normally prepared by the operating activity and submitted directly to the PRC, and while the Budget Officer is a member of this Committee, it would appear that he would be attending the meetings under somewhat of a handicap. As the Agency Budget Officer, it would appear more feasible if he were permitted to review all such projects prior to the Committee meetings.

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Recommended solution. That one copy of all requests for Projects Review be submitted to the Budget Officer at least 24 hours in advance of the Committee meeting in order that budgetary implications can be examined and the Committee accurately and properly advised at the meeting in regard to the status of funds.

Action taken. Discussed with the General Counsel who agreed that while this is generally the case, he will endeavor to assure advance notice to the Budget Officer in all cases. Proposed changes to Administrative Instruction [REDACTED] are being drafted.

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Item 8.

Problem and present procedure. When funds are received each fiscal year a form is prepared and submitted to every operating activity indicating the amount of money allocated. For every change made in the allotment an entirely new form must be prepared, copying all old figures over, showing changes, etc. This would appear to be an unnecessary workload for Budget Staff.

Recommended solution. It is recommended that when the original Advice of Allotment is granted, it should be granted as a yearly sheet, and changes made thereafter be made by a change slip (new form to be designed). Upon the receipt of a change slip, each office concerned would correct the items affected and post new totals.

Action taken. Being considered by Budget.

Miscellaneous

Under this heading, we would like to present items of general interest with and without recommendation:

1. Recommended that a general study of object and sub-object classification be made to determine if our budgeting system would satisfy two needs:

- a. Bureau of Budget requirements, and
- b. Provide cost accounting by IBM machines which will satisfy any logical or reasonable request from any source.

When this study is made, it is recommended that all field stations be considered and the pattern established to take the field stations into consideration.

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2. As a matter of tying relationships of the Management and Budget Staffs more closely together, a system has been devised between the Budget Officer and the Management Officer whereby the budget analysts will actually engage in Management activities in the follow-up phase of every Management survey whether major or minor. This system will be effected by providing the budget analyst of greatest concern (through the Budget Officer) a copy of every Management recommendation when they are approved in the Executive's office. The budget analyst will then act as a Management agent to determine that the program as approved has been or is being implemented. This will provide the budget analyst with a broader Agency knowledge, will assist the operating office in its budgeting, and will assist the Management program in carrying out its mission. Normally, these activities will be held strictly to administrative management. As it is frequently impossible to divorce administrative management from operations, coordination with COAPS will be automatic at any time an operational matter is involved.

3. Attached hereto is Tab A, Statement of Functions for the Budget Staff. Functional statements for the analyst and other personnel of the office will be written by the Budget Officer and submitted to the Management Staff.

4. Attached as Tab B is a list of proposed procedural changes and problems which are currently under consideration or have been concurred in and are being implemented which this office will examine at a later date to determine the degree of success of implementation. Management has annotated Tab B as to degree of achievement as of the date of this report.

Conclusions

It is recommended that no T/O change be considered or effected at this time. However, shortly after the beginning of the new fiscal year in July, the Management Staff will re-survey those portions of the Budget Staff which are left undecided in this report. Further by that date, certain IBM processes may have been established in the Budget Staff, and at that time a final report will be written which will include any T/O adjustment which might be considered best.

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BUDGET STAFF - STATEMENT OF FUNCTIONS

1. Is responsible to the Executive to develop, prepare and present annual budget requirements for each fiscal year, and provide staff advice to the Agency on all matters of financial and budget policy.
2. In coordination with the Management Staff and in continual consultation with CIA activities, ascertains and develops annual budget requirements on a continuing basis throughout each year.
3. Conducts liaison with the Bureau of the Budget on CIA matters.
4. Establishes and controls liaison with other Agencies in connection with budget matters.
5. Coordinates with the Management Staff in establishing personnel ceilings.
6. Operates as a central point for all matters of budget and policy and procedures.
7. Interprets the regulations and procedures of the General Accounting Office, Treasury Department and the Bureau of the Budget, coordinating in the Legal Staff when necessary.
8. Coordinates closely with the Coordination, Operations and Policy Staff, and the Management Staff, in the implementation of the Agency Management Improvement Program.
9. Formulates and administers a budgetary program which will ensure a continual balance between funds and activity requirements, and an effective and orderly program of expenditures.
10. Maintains budgetary accounting of funds expended.

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MEMORANDUM FOR: Management Officer

3 February 1950

FROM: Budget Officer

SUBJECT: Projects in Process - Budget Staff

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In accordance with your verbal request to Mr. [REDACTED] there follows a description of various Budget Staff projects which have been in process but are not fully completed:

1. Development in cooperation with the operations affected (chiefly OSO, OPC, and Finance Division, Special Support Staff) of more effective methods of allotment, control and reporting of unvouchered funds.
2. Development and installation of an improved method for controlling unvouchered funds.
3. Development and installation within vouchered allotment folders of a register of "funds status" to show the current condition of budgeted amounts, rescheduled changes, allotment to date, and obligations to date.
4. Completion of letters of assignments of responsibility to each employee of the Budget Staff outlining authority, responsibility and specific tasks to be performed.
5. Revision of current Report of Obligation by Object Classes, Form 34-12, Advice of Allotment Authorization, Form 32-5, and Request for Change in Allotment, Form 32-7, to accord with existing allotment, accounting and control procedures.
6. Preparation of operating procedures necessary to the internal operations of the Budget Staff.
7. There is in process the preparation of a uniform filing arrangement plan for Budget Staff material considered necessary as a result of the reorganization of 1 October 1949.
8. Revision and simplification of Chart of Allotment accounts to accord with simplifications accomplished in the presentation of estimates for fiscal year 1951 and to accord with current requirements.
9. Development of an effective standard approach to the allotment and control of such items of common cost as films, publications, communications, services stock items, etc.

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Tab B
Office Memorandum • UNITED STATES GOVERNMENT

TO : Management Officer
FROM : Budget Officer
SUBJECT: Projects in Process - Budget Staff

DATE: 3 February 1950

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In accordance with your verbal request to Mr. [REDACTED] there follows a description of various Budget Staff projects which have been in process but are not fully completed:

1. Development in cooperation with the operations affected (chiefly OSO, OPC, and Finance Division, Special Support Staff) of more effective methods of allotment, control and reporting of unvouchered funds. *write in*
2. Development and installation of an improved method for controlling unvouchered funds. *write in*
3. Development and installation within vouchered allotment folders of a register of "funds status" to show the current condition of budgeted amounts, rescheduled changes, allotment to date, and obligations to date.
4. Completion of letters of assignments of responsibility to each employee of the Budget Staff outlining authority, responsibility and specific tasks to be performed.
5. Revision of current Report of Obligation by Object Classes, Form 34-12, Advice of Allotment Authorization, Form 32-5, and Request for Change in Allotment, Form 32-7, to accord with existing allotment, accounting and control procedures.
6. Preparation of operating procedures necessary to the internal operations of the Budget Staff.
7. There is in process the preparation of a uniform filing arrangement plan for Budget Staff material considered necessary as a result of the reorganization of 1 October 1949.
8. Revision and simplification of Chart of Allotment accounts to accord with simplifications accomplished in the presentation of estimates for fiscal year 1951 and to accord with current requirements.
9. Development of an effective standard approach to the (allotment and control of such items of common cost as films, publications, communications, services stock items, etc.) *4/R*

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